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Foreign CROPS AND MARKETS

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VOLUME 69

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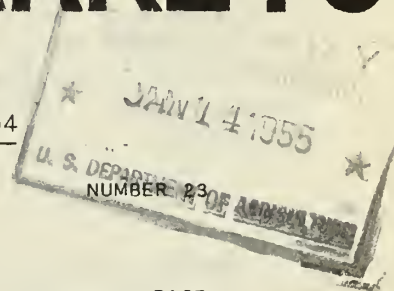
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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D.C.



L A T E N E W S

Indonesia's total exports of copra during September amounted to 23,706 long tons net weight, according to preliminary official statistics transmitted by the American Embassy, Djakarta. The breakdown by country of destination is as follows: Western Germany--1,969; the Netherlands--984; Italy--1,476; Hungary--1,476; Sweden--4,695; Malaya (Penang)--2,166; Singapore--8,578; and Japan--2,362 tons. (For monthly exports during 1953 and January-August 1954 see Foreign Crops and Markets of November 22, 1954, page 572.)

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Transshipments of Mexican cotton through United States ports in August, 1954 amounted to 76,000 bales (500 pounds gross) compared with 77,000 bales in August, 1953. During August, 1954 the principal destinations were: Japan 22,000 bales; West Germany 16,000; Belgium 13,000; Netherlands 8,000; the United Kingdom 4,000; France 3,000; and Italy, Sweden, and Switzerland 2,000 each. These figures include linters, waste, hull fibers, etc. but do not include transshipments to Canada by railroad or exports from Mexican ports directly to foreign destinations.

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Improvement in the cotton textile industry in Canada is seen in the recent volume of orders which is expected to keep mill activity brisk during the next several months. Mill operators attribute the pick-up in business to the low level of customers' inventories, reduced textile imports, and greater emphasis upon advertising, promotion and aggressive styling.

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(Continued on Page 649)

FOREIGN CROPS AND MARKETS

Published weekly to assist the foreign marketing of U. S. farm products by keeping the nation's agricultural interests informed of current crop and livestock developments abroad, foreign trends in production, prices, supplies and consumption of farm products, and other factors affecting world agricultural trade. Circulation is free to persons in the U. S. needing the information it contains.

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PREVIEW OF THE HOG
MARKET IN GERMANY

Every 3 months, the German Institute for Agricultural Market Research ^{1/} publishes a forecast of developments in the German hog market, based upon the results of the latest available hog census.

The latest study of this kind was published in the November issue of the Institute's monthly Agrarwirtschaft. The Institute points out that efforts at increasing feeding efficiency and other factors in productivity have led to a considerable increase in the turnover of animals for slaughter. Thus, for example, in 1950-51 and 1951-52 the slaughter of hogs amounted only to about as many animals as had been in place at the beginning of the year; in 1952-53 slaughter exceeded the number of animals in place at the beginning of the year by fully 7 percent, and in 1953-54 even by 13 percent. Consequently, the average age at slaughter of the animals was about 12 months in 1950-51 and 1951-52, while it declined to between 10 and 11 months in the past two seasons. The Institute is of the opinion that this tendency toward more rapid turnover as a result of improvements in feeding efficiency is likely to continue.

As to prospective demand, the Institute believes that developments will continue favorable. Consumer expenditures on pork in 1953-54 amounted to 116 percent of such expenditures in 1952-53. There has been an increase in expenditures from year to year by no less than 9 percent annually since 1950. The Institute expects a further increase in demand during 1954-55. In its consideration of wholesale demand and prospective prices, the Institute forecasts prices for slaughter hogs in the fall and winter of 1954 at only slightly below the present high level. However, for December-February 1954-55 the forecast is for a decline at least as extensive as the usual seasonal decline. For the spring of 1954-55, March to May, the Institute expects a more substantial decline. Prices are likely to be considerably below the spring of 1954 but not quite as low as of early 1953. In June-August 1955, the seasonal increase in demand is likely to alleviate the pressure on prices and to establish them on a medium level.

In order to forestall a renewed price decline in the winter and spring of 1955-56, the Institute in its outlook statement advises farmers to reduce hog breeding operations from the end of 1954 until the spring of 1955.

1953 EGYPTIAN DEHYDRATED ONION
EXPORTS HIGHEST ON RECORD

According to the latest official Egyptian statistics, the 1953 exports of dehydrated onions were the highest on record. The 1953 exports were 70 percent higher than those of 1952. The following table shows the exports for the past 4 crop years:

^{1/} The Institute is an independent research organization of public corporation status, financed from public funds, but under independent scientific management. It is part of the Agricultural Research Center at Voelkenrode.

Dehydrated onion exports from Egypt, crop years 1/ 1950-53

Country of destination	1950	1951	1952	1953
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
Australia.....	2	505	139	29
Canada.....	103	10	7	35
France.....	50	5	117	173
Germany, West.....	-	303	488	622
Sweden.....	11	35	30	25
Switzerland.....	342	496	333	931
United Kingdom.....	354	1,982	1,369	1,944
United States.....	764	425	429	1,081
Other.....	36	158	18	152
Total.....	1,662	3,919	2,930	4,992

1/ Year beginning February 15.

This year (1954) the Egyptian export quota has been abolished for both fresh and dehydrated onions. It appears, however, that this will have little affect on the exports. Trade circles state that the exports up to September 30, 1954 amounted to 3,086,000 pounds and are estimated to be only 4,409,000 pounds for the entire crop year. This is approximately 13 percent less than that of 1953.

There are 7 onion dehydrating plants in Egypt. They employ about 2,000 persons and have a capital investment of about \$1,400,000. One company is expanding its production this year to a daily capacity of more than 15,000 pounds. More than 55 percent of the exports are shared by 2 companies.

The export trend for the last 5 years has been more rapidly upward for the "kibbled" form of dehydrated onions than for the powdered form, as shown in the table below:

Onions: Kibbled and Powdered: Exports for Egypt, 1949-53

Crop year	Kibbled	Powdered	Total
	1,000	1,000	1,000
	pounds	pounds	pounds
1949.....	580	617	1,198
1950.....	988	674	1,662
1951.....	2,580	1,339	3,919
1952.....	1,994	936	2,930
1953.....	3,483	1,509	4,992

Since 1949 the exports of the kibbled form has increased 600 percent compared with a 244 percent increase in the powdered form. The kibbled type now comprises 70 percent of the total exports of dehydrated onions as compared with 48 percent in 1949.

VENEZUELAN TOBACCO IMPORT DIFFICULTIES

The American Embassy at Caracas reports that Venezuelan cigarette manufacturers are having difficulty in obtaining grower approval of leaf imports. Manufacturers have an agreement with the Government, wherein unmanufactured tobacco can be imported at one-half the regular tariff rate if the tobacco growers agree. Under this contract the importer pays one-half (\$1.62) of the regular duty of U. S. \$3.25 per pound with about \$1.08 going to the government for tariff and 54 cents to the growers.

A recent request for permission to import 2.2 million pounds of leaf tobacco has not received grower approval. Grower representatives state that this request is incompatible with earlier statements by the manufacturers that the domestic crop is too large. Approval of the tobacco growers is necessary before leaf may be imported and at present they are not favorably disposed toward the companies.

CANADIAN FLUE-CURED PRICE

The Canadian flue-cured market opened November 9 with the minimum average price set at $42\frac{1}{4}$ cents per pound with an additional 2 cents for tying and grading. This is a drop of three-fourths of a cent from the 43 cent minimum (plus 2 cents tying and grading) in effect for the 1953 market.

DOMINICAN TOBACCO POTENTIAL

The American Embassy at Ciudad Trujillo reports that there is little prospect for any marked increase in tobacco (dark air-cured) acreage this year in the Dominican Republic. No substantial increase in yields is expected in the near future. Any potential that exists is in a recent program which has aimed at standardizing quality, variety improvement, insect and disease control and demonstration of the value of complete fertilizers. Progress has been made but it would require extensive promotion by the Dominican Department of Agriculture to make substantial changes in the tobacco picture.

Production has actually declined slightly in the last few years. During the period 1947-51 an average of 42 million pounds per year was grown. This dropped to about 40 million pounds for 1952 and 1953, with an estimate of 39 million pounds for 1954.

The most significant trade development during the year was the Government establishment of a tobacco purchase and export company. Legislation which established the company also empowers the President of the Republic to be the sole purchaser and exporter of domestic tobacco when it is in the national interest.

INDIA TIGHTENS TOBACCO QUARANTINE LAWS

The Government of India has amended its regulations controlling destructive insects and pests to ban imports of tobacco by air except from Burma and the Kalat State. Air transit through India and transshipment are allowed if the tobacco is accompanied by an official certificate and is packed so insects can neither leave nor enter the container. This container may not be opened in any part of India.

EGYPT HARVESTS BUMPER RICE CROP

Egypt's rice harvest of 1954 is estimated at 2,410.4 million pounds (1,093,000 metric tons) of rough rice, or 68 percent larger than 1,437.5 million pound (652,000 tons) in the preceding year, according to the first official estimate of the Ministry of Agriculture. This crop, the largest since 1950, yielded the highest per acre in more than 3 decades. In terms of milled rice, it exceeds that of 1953 by 750 million pounds, or 340,000 metric tons.

EGYPT: Rice acreage, production and exports,
averages 1940-49, annual 1950-1954

Year	Acreage	Yield per acre	Production		Exports ^{1/} (milled)
			Rough rice	In terms of milled:	
	1,000 acres	Pounds	Million pounds	Million pounds	Million pounds
Average:					
1940-44	600	2,704	1,622.2	1,080	164
1945-49	732	3,347	2,450.3	1,632	548
1950	727	3,766	2,738.2	1,824	365
1951	507	2,696	1,366.7	910	677
1952	388	2,937	1,139.6	759	35
1953	439	3,274	1,437.5	957	1
1954	633	3,808	2,410.4	1,605	-

^{1/} Calendar year following year of harvest.

Compiled from official and unofficial sources.

Because of the importance in Egypt of rice as an export crop, the Ministry of Agriculture has agreed with the Production Council to increase rice production in every way possible; for example, by increasing areas of cultivation through securing adequate supplies of Nile and artesian water, and by using improved seeds.

Rice is a basic food for the majority of town people and inhabitants of Lower Egypt. The average rice consumption in Egypt during the years 1947 to 1952 is estimated by the Egyptian Government at 491,400 metric tons (1,083 million pounds) of milled rice, and consumption in 1956 is expected to approximate 550,000 tons (1,200 million pounds).

The small 1952 and 1953 crops resulted in rice supplies that were about sufficient for domestic consumption only, and little rice was exported. Prior to that time, rice was the only cereal which could be exported in large amounts after satisfying local consumption needs. It ranked second to cotton in exports. Egyptian rice exports for 1949, 1950, and 1951 were valued at \$41,571,000, \$22,037,000, and \$41,909,000, respectively. In 1952 and 1953, the value of rice exports declined to \$2,237,000 and \$57,800, respectively.

On October 12, it was announced that the Committee charged with the examination of tenders for the exportation of the first lot of rice from the 1954 crop had met under the presidency of the Minister of Finance, and that offers from 14 companies had been opened and examined. Reportedly most of the quotations submitted were at less than world-price levels. The Committee therefore decided to cancel the rice auctions of October 11 and October 14 and to set minimum prices for rice exports "in order to establish transactions on a sound commercial basis and to sell the greatest possible quantity of the new crop." This permitted exporters to get in touch with their customers and to conclude agreements for sale at international prices.

EGYPT: Minimum rice prices fixed for
export permits, beginning October 11, 1954

Type	: Egyptian : pounds per : metric ton	: Dollars : per 100 : pounds
Camolino, or glazed rice, 3-percent broken	: 82.50	: 10.79
Camolino, or glazed rice, 6-percent	: 80.00	: 10.46
Bleached rice, No. 3, 20% broken	: 50.00	: 6.54
Cargo rice	: 45.00	: 5.88

1 Egyptian pound (LE) equals \$2.8825.

The above prices are subject to increase if there is a rise in international prices, and they are apart from the tax on exportation, amounting to LE 15.50 per metric ton (\$2.02 per 100 pounds).

Exports will be covered in the currency of the importing countries or in dollar, sterling, or deutschemarks currency, with the exporters entitled to use all of the proceeds for imports through Import Entitlement Account. With respect to exports to Switzerland, exporters will benefit from Entitlement in sterling for the value of the Swiss francs which they would otherwise obtain through the "A" account established by the Egyptian-Swiss payments agreement.

The Under-Secretary of Finance has claimed that this new system will reduce financial charges which exporters have had in export operations and will permit the export of greater quantities of rice.

By provisions of a decree published September 30, the export duty on rice was raised from piasters 80 per 100 gross kilograms (\$1.04 per 100 pounds) to LE 1.40 (\$1.83 per 100 pounds).

Specifications of rice to be exported are those indicated below as provided in Departmental Orders Nos. 129 of 1951 and 320 of 1949 issued by the Ministry of Commerce and Industry, which concern the provisions governing rice exports and enforce Law No. 62 of 1940 on the Agricultural Produce Export Control.

The proportion of defects for each grade of rice must not exceed the percentage indicated below:

Type and grade	Foreign matters and grains	Under- corti- cated	Yellow rice	Broken rice	Humidity
	Percent	Percent	Percent	Percent	Percent
Cargo rice-special	1/4	2	1/4	3	14
White rice-special	.05	nil	1/4	3	14
White rice-selected	1/4	nil	1/4	6	15
White rice-No. 3, polished	1/2	1-1/4	1-1 1/2	20	20

U. S. RICE EXPORTS EXCEED YEAR BEFORE

United States rice exports during the first 2 months of the 1954-55 marketing year (August-July) totaled 1,874,000 bags (100 pounds) in terms of milled compared with 1,549,000 bags in the like period of the year before. Exports increased to all areas, with the largest amounts being shipped to Cuba, Japan, and European countries. Rice shipments to Belgium and Luxembourg increased sharply, and rice was shipped to Sweden, West Germany, and Ireland compared with none to those countries in August-September 1953.

September rice exports were the largest in 6 months. Total shipments of 1,129,735 bags consisted of 5,191 bags of rough rice (3,374 bags in terms of milled at 65 percent); 93,688 bags of milled rice, containing not more than 25 percent whole kernels; and 1,032,673 bags of milled rice, containing more than 25 percent whole kernels.

RICE: United States exports to specified countries,
September 1954, with comparisons 1/

Country of destination:	August-July		August-September		September	
	1952-53	1953-54	2/ 1953	2/ 1954	2/ 1953	2/ 1954
	1,000	1,000	1,000	1,000	1,000	1,000
	bags	bags	bags	bags	bags	bags
Western Hemisphere:						
Canada.....	601:	633:	70:	56:	44:	26
British Honduras.....	3:	17:	0:	3:	0:	2
British West Indies.....	81:	6:	1:	3/ :	3/ :	3/
Cuba.....	4,876:	4,755:	1,052:	1,137:	877:	525
Netherlands Antilles....	41:	53:	8:	9:	4:	5
Venezuela.....	86:	215:	99:	3:	33:	3
Colombia.....	3/ :	314:	0:	77:	0:	66
Other countries.....	15:	34:	4:	4:	4:	3
Total.....	5,703:	6,027:	1,234:	1,289:	962:	630
Europe:						
Belgium and Luxembourg..	52:	206:	47:	95:	42:	72
Greece.....	3/ :	11:	0:	0:	0:	0
Iceland.....	8:	3/ :	3/ :	0:	0:	0
Ireland.....	0:	0:	0:	12:	0:	9
Netherlands.....	0:	12:	2:	3/ :	2:	3/
Sweden.....	3/ :	1:	0:	42:	0:	42
Switzerland.....	38:	57:	19:	18:	19:	6
West Germany.....	3/ :	29:	0:	2:	0:	2
Other countries.....	2:	24:	1:	2:	0:	1
Total.....	100:	340:	69:	171:	63:	132
Asia:						
Saudi Arabia.....	138:	130:	41:	23:	36:	15
Ceylon.....	647:	0:	0:	0:	0:	0
Indonesia.....	1,100:	0:	0:	0:	0:	0
Philippines.....	3/ :	3/ :	0:	0:	0:	0
Korea, Republic of.....	4/ 4,631:	590:	202:	0:	0:	0
Hong Kong.....	179:	0:	0:	0:	0:	0
Japan.....	3,999:	8,538:	0:	328:	0:	327
Ryukyu Islands.....	616:	0:	0:	0:	0:	0
Other countries.....	5:	25:	0:	3:	0:	2
Total.....	11,315:	9,283:	243:	354:	36:	344
Total Oceania.....	19:	17:	3:	2:	2:	1
Liberia.....	22:	67:	0:	56:	0:	22
Other Africa.....	3/ 0:	6:	0:	0:	0:	0
Other countries.....	- :5/	8:	- :5/	2:	- :5/	1
Total world.....	17,159:	15,748:	1,549:	1,874:	1,063:	1,130

1/ Milled rice, including brown, broken, screenings and brewers' rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Less than 500 bags. 4/ Adjusted to include all programs of the Department of Defense and the Foreign Operations Administration. 5/ Starting with January 1954, "other countries" includes shipments valued at less than \$500 each when the number of such shipments to a country in a given month is few.

Rough rice exports to Canada amounted to 3,006 bags; to Cuba, 1,385 bags; and to Venezuela, 800 bags. Destinations of milled rice, containing not more than 25 percent whole kernels were (in bags): 54,787, Colombia, 21,500; Belgium and Luxembourg, 13,991; Canada, 2,100; Venezuela, 1,000; Canal Zone, 200; and Japan, 110. All other exports, comprising 91 percent of the total, were of milled rice, containing more than 25 percent whole kernels.

MEXICO REPORTS

LARGE CORN CROP

The 1954 corn crop in Mexico is slightly smaller than had been expected, as a result of storm damage late in the season, according to the American Embassy, Mexico, D. F. At the present estimate of 141.7 million bushels, production for the current season would still be at a record level, exceeding the large 1951 crop by 5 percent and the 1953 crop by 12 percent.

Acreage for the current crop is estimated at 10.9 million acres, a slight increase over the 1953 acreage. Yields for the current harvest average 13 bushels per acre, which would be the largest yields since 1924, when an average of 13.2 bushels was reported. Early-season indications pointed to yields of about 13.4 bushels per acre until damage was reported from floods and excessive rains along the Gulf Coast and from drought in some areas of the central plateau.

The harvest of the principal corn crop is about completed and supplies of corn will be ample during the next few months. No corn imports are expected to be required during the remainder of 1954 or the first half of 1955. Total imports during the first 9 months of 1954 were reported at 5.7 million bushels, 25 percent less than during the corresponding period of 1953.

A new price policy concerning corn was announced October 20. Under the new policy ceiling prices were removed and merchants agreed not to speculate or raise prices unduly. The Governmental purchasing agency, CEIMSA, will buy corn only from producers and is to buy only quantities that private merchants are not willing to buy at the guaranteed price. CEIMSA's selling price will be based on the guaranteed price, with an increase of up to 30 pesos per ton to cover storage, handling, interest, and losses. Freight charges from the producing region to the nearest distribution center will be added to the selling price.

Guaranteed prices for corn for the month of November have been announced and are the same as prices previously in force in 17 States and are somewhat lower in the remaining States. The November rate per ton will be raised by 10 pesos on the first of each month until June 1, 1955. The gradual increase in price up to the time of planting the next crop is intended to encourage holding grain on farms for a longer period of time, which would help ease demands on storage space. It would also tend to spread disbursements of funds by CEIMSA over a longer period of time.

CACAO IN SPANISH
GUINEA

Cacao production in Fernando Po and Rio Muni in 1954-55 is expected to approach 40 million pounds compared to 39 million in 1953-54 and 37 million in 1952-53. Approximately 95 percent of the production is exported, 65 percent going to Spain and the Spanish territories and 25 percent to the United States.

Exports and consumption are closely controlled by the National Cacao Monopoly, under the jurisdiction of the Presidency of the Government. Production is regulated through the official Agricultural Chamber of the District of Fernando Po which consigns all exports destined to Spain to the Monopoly, which in turn allocates consumption quotas to domestic manufacturers and other end-users. Exports to foreign markets are made by the Chamber under the control of the Monopoly. New plantings, which have increased 20 percent since 1949, are gauged to anticipated increases in domestic consumption and foreign demand.

As the Monopoly controls all cacao trade, there are no wholesalers and domestic prices are Government-decreed each season. The average price to the grower this season has been established at 28.55 pesetas per kilo of shelled beans compared with 26.70 pesetas last season. The average price to chocolate manufacturers and other consumers in Spain is 32.30 pesetas, compared with 30.45 pesetas last season, the difference covering freight and administrative expenses. Export prices are determined by world prices and the latest quoted price is 48.5 U.S. cents per pound, f.o.b. Guinea port.

NORWEGIAN IMPORTS OF
U. S. FATBACKS

The Ministry of Agriculture of Norway has recently permitted importations of dried, salted fatbacks from the United States. It is reported that exports in the next few months to that country may amount to 400,000 to 600,000 pounds.

On October 20 the Norwegian Association of Wholesalers of Animal Fats issued a circular to its members pointing out that the Ministry of Agriculture had agreed to permit imports of dried salted fatbacks from Denmark, providing there were no new outbreaks of foot-and-mouth disease in Denmark. At that time (October 20) it was pointed out that the presence of hog fever in the United States had made it impossible to import fatbacks from the United States. Subsequently the Norwegian Ministry of Agriculture reversed its position and has permitted imports from the United States. United States fatbacks are considerably cheaper than those in Denmark.

SMALL IMPORTATIONS OF CATTLE FROM MEXICO SEEN IN 1955

United States imports of cattle and beef from Mexico in 1955 are expected to amount to around 200,000 to 300,000 head on the basis of current conditions in the two countries, if the border is opened as scheduled on January 1, 1955. Imports of cattle and beef from Mexico in 1953 were equivalent to 290,000 head and in 1952 were over 600,000. The beef imported from Mexico during January-October 1954 was equal to 112,000 head of live animals. During 1940-44 imports of live cattle from Mexico averaged 450,000 head annually.

It is reported that the Ministry of Economy will take steps to assure that no exports of cattle are authorized until domestic needs for meat and hides are covered.

Imports of Cattle and Beef from Mexico in Terms
of Live Cattle, Averages 1935-39, 1940-44,
Annual 1945-46, 1951-53 and January-October, 1954

Period	Imported as live cattle	Imported as meat	Total Imports
	<u>Number</u>	<u>Number</u>	<u>Number</u>
Average 1935-39	276,127	--	276,127
Average 1940-44	450,503	--	450,503
1945	435,435	--	435,435
1946	438,891	--	438,891
1951	<u>1/</u>	317,000	317,000
1952 <u>2/</u>	127,279	474,000	601,279
1953 <u>3/</u>	127,927	160,000	287,927
1954 <u>4/</u>	<u>1/</u>	112,000	112,000

1/ Imports prohibited due to foot-and-mouth disease quarantine.

2/ September 1 - December 31

3/ January 1 - May 23

4/ January-October

At present few feeder and stocker cattle are being offered for export sale. Most of the cattle available for export are 2 and 3 year olds weighing from 550 to 825 pounds. As Mexican exports are mostly light weight cattle it is still uncertain as to what extent the Government will allow the heavier cattle to be exported. Prices for cattle for local slaughter in Northern Mexico are currently averaging about 8 to 8.2 cents per pound. Feeder steers for export might bring a little more.

The cost of moving cattle from the Mexican ranches to the United States will vary due to many factors including the age, weight and the type of animals involved. Total charges range from \$18.50 to \$25.00 per head. The Mexican export tax is the biggest single cost and varies with the weight of cattle. It is .35 pesos per kilogram (1.27 cents per pound) for cattle up to 440 pounds and .28 pesos (1.02 cents a pound) for animals over 440 pounds. State taxes vary from 15 pesos a head in Coahuila to 30 pesos per head in Chihuahua.

Another large item of cost is the United States import duty which also varies with the weight of the animal. For steers weighing no more than 700 pounds it is 2.5 cents per pound and for those weighing over 700 pounds it is 1.5 cents a pound. In addition to the Mexican taxes and the import duties the other principal item of cost is freight to the border. Minor costs include dipping, Mexican customs broker fees, the Mexican Livestock Association fee, feed, unloading and loading of animals, weighing, horn tipping, and yardage.

CHOCOLATE MILK DRINK ON U. K. MARKET

The chocolate-flavored milk drink, "Chilk" reportedly has been successfully introduced on the United Kingdom market. The drink had been extremely popular in parts of Europe and it was thought that it could be successfully retailed in England.

First plans to have the drink handled on a royalty basis by dairies throughout the country fell through when milk plants proved reluctant to handle the business because of the difficulty in collecting the empty bottles, similar to soda pop bottles. In order to ensure the return of the bottles it was thought that a deposit of about 2.5 cents per bottle would be required; since this was somewhat foreign to dairy operations the larger dairy companies were not interested.

The product is apparently being handled successfully through soft drink concerns and the Chocolate Milk Company, Ltd. says that the product is going into mining canteens and dispensers in railway stations.

Since the product is substantially a 2.5 percent butterfat milk it is considered as a possibility to put an additional several million gallons of milk a year into fluid consumption. In the Netherlands, the article said, consumption of the product in 1953 took over 18 million pounds of fluid milk.

The article did not state at what price the drink was being sold, but it is believed that the price is about 9 pence (10.5 cents) a bottle. The company states that the average price it is paying producers for milk is \$3.40 a hundred-weight.

MEXICAN POWDERED MILK IMPORTS LIMITED TO STATE CORPORATION

The Mexican Ministry of Economy announced this week that only CEIMSA, the state-controlled corporation, will be authorized to import powdered milk. CEIMSA operates a plant in Mexico City which daily produces about 35,000 quarts of fluid milk by reconstituting nonfat dry milk solids and adding vegetable fat; the corporation depends to a large extent upon imports for its powder needs.

There are also two private plants in the Federal District producing this reconstituted milk which have used imported nonfat dry milk solids. The Ministry's announcement does not indicate whether CEIMSA's import purchases will also include the requirements of the privately owned plants, but the assumption is that they will, since about 7.5 percent of the fluid milk consumed in the Federal District is from these private operations.

FRANCE SETS RETAIL MILK PRICE

The Government-established winter price for milk at retail in Paris has been raised from 43 to 45 francs per liter in line with policy reported in Foreign Crops and Markets of November 8, 1954; this amounts to a charge about 12.2 cents per quart. The price ordinarily would have been increased in October, but because of the continuing high level of milk production it was decided to hold the summer price in order to stimulate consumption.

The Government also announced that in the financing of the so-called rehabilitation fund for dairy products (described in Foreign Crops and Markets of August 16, 1954) the Treasury would assume \$1.7 million of the expenses involved in subsidizing dairy products exports while the amount channeled from the meat circulation tax to dairy export subsidy use would amount to about \$2.6 million. The amount to be supplied by the dairy industry through the resorption tax on milk producers has not been determined.

The French Government also announced its intention of reducing butter imports; French imports of butter amounted to over 42 million pounds in 1953. France also intends to stimulate exports of French butter to overseas territories.

SWEDEN MAY BUY U.S. MEAT

The Swedish Cooperative Meat Association, a leading wholesale organization, has received 10 tons of both beef liver and beef tongues from the United States to be distributed as samples. It is reported that members of the Association are well pleased with the quality of the product and many local firms appear to be interested in regular shipments. An agent of the Cooperative is now in the United States.

Exchange and other Governmental controls have prevented meat from moving freely into Sweden, in spite of the fact that prices there are higher than in many European markets. This situation has precluded United States sales in that market for several years. Recently there has been considerable liberalization in the use of dollars for purchases of imported products and as prices of meat are controlled by the wholesale meat associations, (with the approval of the government), imports by the associations are a way of securing limited imports from dollar countries. Sales from the United States to Sweden must meet competition from Denmark and some other European countries.

Sweden may continue to be a net exporter of pork products. There is a possibility that it will be able to export some Landrace hogs for breeding purposes to other European countries as Denmark now prohibits the sale of live hogs. Sweden is also committed to deliver bacon to the United Kingdom under a long-time contract.

U. S. TOBACCO EXPORTS IN SEPTEMBER 1954

United States exports of unmanufactured tobacco in September 1954 totaled 45.9 million pounds valued at \$33.0 million. This was 18.6 million pounds above August exports but about 33.4 percent below September 1953.

Exports of flue-cured tobacco were 41.1 million pounds in September compared with 63.4 million pounds in September 1953, a 35.1 percent decrease. Movement of flue-cured tobacco to market in the early part of the current season, particularly in South Carolina, was much slower than last year.

Also, the quality of the leaf produced this year in the Georgia-Florida and South Carolina areas was below that for 1953, and this affected purchases for export. Since September movement primarily would include tobacco from the Georgia-Florida and South Carolina belts, these circumstances would have affected exports for the month adversely. Increased movement in subsequent months is expected to more than make up for the decline. Exports of Burley, Virginia fire-cured, Dark-fired Kentucky-Tennessee, One-Sucker tobacco and Cigar Filler decreased in September 1954 compared with the same period in 1953. Most other types showed increases.

In the first 9 months of the current year, total exports of unmanufactured tobacco at 256.1 million pounds, were 24.6 percent below the same period last year. Exports of flue-cured tobacco were 30.7 percent lower during this period. Reduced shipments to the United Kingdom again account for a large part of the decrease (54.9 million pounds in the first 9 months of 1954 compared with 116.2 million pounds in the same period in 1953, a 52.8 percent decrease).

Exports of Burley tobacco increased in the first 9 months of 1954 with shipments to Mexico, the Netherlands, Belgium and Luxembourg, France, West Germany, Portugal and Italy accounting for 17.7 million pounds out of a total of 23.7 million pounds for the period. France has more than doubled its takings of Burley tobacco in 1954, taking 1.4 million pounds for the first 9 months compared with 707,000 pounds for the entire year in 1953. On the other hand, Sweden which took 1.4 million pounds for the entire year in 1953, has taken no Burley thus far in 1954.

Exports of Dark-fired Kentucky-Tennessee increased moderately in the January-September 1954 period over the same period in 1953. Exports to the Netherlands, West Germany and French West Africa fell off. Exports to France increased sharply from 1.7 million pounds for the first nine months of 1953 to 5.7 million pounds for the same period in 1954. Exports to Switzerland also increased from 990 thousand pounds in 1953 to 1.1 million pounds in 1954. Exports of Maryland tobacco decreased about 7.3 percent for the first 9 months of 1954 over the same period in 1953. Switzerland took 4.4 million pounds for this period in 1953 compared with 3.7 million pounds in 1954. Exports of most other types decreased. The 69.6 percent decrease in exports of Cigar Filler in the first 9 months of 1954 over the same period in 1953 was largely due to greatly reduced shipments to Indochina (110 thousand pounds in 1954, compared with 264 thousand pounds in 1953) and to Algeria, which has taken no Cigar Filler in 1954 compared with 85,000 pounds in 1953.

Exports of tobacco products, valued at \$5.0 million, were about 21.9 percent lower in September 1954 than in the same month last year. All products showed decreases ranging from 20 to 33 percent.

Exports of cigars and cheroots and chewing tobacco and snuff were higher in the January-September 1954 period than in the corresponding period in 1953, but exports of cigarettes and smoking tobacco in packages and bulk were lower.

Exports of U. S. Unmanufactured Tobacco September 1954
January-September 1954 with Comparison

Type	(Export Weight)					
	September		Percent Change	January-September		Percent Change
	1953	1954		1953	1954	
	1,000	1,000		1,000	1,000	
	pounds	pounds		pounds	pounds	
Flue-Cured.....	63,388	41,128	- 35.1	285,339	197,736	- 30.7
Burley.....	1,188	1,127	- 5.1	18,547	23,718	+ 27.9
Virginia Fire-Cured.....	477	234	- 50.9	2,682	2,675	- .3
Dark-Fired Ky-Tenn.....	1,618	588	- 63.7	14,058	15,214	+ 8.2
Maryland.....	827	1,299	+ 57.0	6,337	5,877	- 7.3
Green River.....	1	23	+2,200.0	1,327	1,393	+ 5.0
One-Sucker.....	120	9	- 92.5	773	702	- 9.2
Cigar Wrapper.....	272	410	+ 50.7	2,953	2,517	- 14.8
Cigar Binder.....	140	177	+ 26.4	2,369	1,127	- 52.4
Cigar Filler.....	56	-	0	520	158	- 69.6
Other.....	747	857	+ 14.7	4,891	5,026	+ 2.8
Total.....	68,834	45,852	- 33.4	339,796	256,143	- 24.6
Declared value,						
million dollars.....	46.6	33.0	- 29.2	220.1	167.1	- 24.1

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

Exports of U. S. Tobacco Products, September 1954, with Comparisons

Class of Products	September		Percent Change	January-September		Percent Change
	1953	1954		1953	1954	
Cigars and Cheroots						
(1,000 pieces).....	752	601	- 20.1	4,343	6,075	+ 39.9
Cigarettes						
(million pieces).....	1,535	1,200	- 21.8	12,413	11,253	- 9.3
Chewing Tobacco and						
Snuff (1,000 pounds)....	256	172	- 32.8	1,091	1,340	+ 22.8
Smoking Tobacco in Pack-						
ages (1,000 pounds).....	67	50	- 25.4	509	404	- 20.6
Smoking Tobacco in Bulk						
(1,000 pounds).....	544	431	- 20.8	3,492	3,113	- 10.9
Declared Value						
(million dollars).....	6.4	5.0	- 21.9	48.5	45.6	- 6.0

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

FIRM DEMAND FOR DANISH EGGS

During the fall months, the demand for Danish eggs on foreign markets was very satisfactory. Prices in general have been increasing. More recently, however, greater offerings of small eggs have had a lowering effect on prices in this category or grade.

The British strikes have had little effect on the marketings of Danish eggs because of increased and compensating demands from West Germany and Switzerland. The increased demand in West Germany and Switzerland is believed due to the seasonal drop in domestic production in these countries.

In Denmark, it is thought that egg production does not vary as much with the season as in West Germany and Switzerland, because Danish farmers have been fairly successful in "levelling out" or reducing seasonability by starting baby chicks early and having pullets ready for laying earlier than in most other countries at the same latitude. Moreover, Danish farmers use improved feeding methods and other management practices, such as artificial lights, to force higher egg production.

SHARP GAINS IN LIVESTOCK OUTPUT BY OEEC NATIONS

There have been some striking increases in livestock numbers and production in both meat and dairy products in the European countries belonging to the Organization European Economic Cooperation (OEEC). Both production, trade and consumption of livestock products have increased by all members of the organization.

The increased output of livestock and livestock products has made possible greatly increased domestic consumption over the low levels of World War II. It has reduced the needs of the Western European countries for import supplies and has made possible increased exports of meat and dairy products to Eastern Europe and the Western Hemisphere. Larger output of livestock products in Europe has increased the competition for export markets against United States producers.

The total cattle population in the 15 countries, for which data are available, increased by 8 percent over prewar. Dairy cattle numbers are 1 percent over the prewar period. The increase in milk cows occurred in spite of the fact that during and after the war dairy farmers, as a result of feed and fodder shortages, eliminated the mediocre producers in order to save available supplies for the most efficient milkers. As a result of this practice, and other better management practices, milk production per cow has increased almost 18 percent over prewar to a production figure of 5,280 pounds per cow. The fat content of the milk has also risen.

There has been a remarkable increase in dairy manufacturing and meat production over the prewar records. Production of condensed and evaporated milk increased 30 percent, milk powder 159 percent, beef and veal production 32 percent, mutton and lamb 15 percent and pork 62 percent.

Livestock Numbers and Production in the 15 countries of
Western Europe belonging to the Organization
European Economic Cooperation (OEEC) 1/
Prewar average and 1953-54

Item	Unit	:	Prewar Average	:	1953-54	:	1953-54 as percentage of prewar
	Thousand head	:		:		:	
Livestock Numbers:		:		:		:	
All cattle		:	85,800	:	92,700	:	108.0
Milk cows		:	34,036	:	34,637	:	101.8
Hogs		:	38,200	:	56,700	:	148.4
Sheep and lambs		:	119,356	:	129,400	:	108.4
	Million pounds:	:		:		:	
Production:		:		:		:	
Beef and veal		:	6,608	:	2/ 8,758	:	132.5
Pork		:	6,414	:	2/ 10,399	:	162.1
Lamb and mutton		:	942	:	1,085	:	115.2
All meat		:	13,964	:	20,242	:	145.0
Milk		:	159,677	:	182,585	:	114.3
Condensed)		:		:		:	
Evaporated)		:	1,105	:	1,437	:	130.0
Butter		:	2,729	:	2,678	:	98.1
Cheese		:	2,634	:	3,362	:	127.6
Dried milk	Million pounds	:	183	:	474	:	259.0
		:		:		:	

1/ United Kingdom, France, the Netherlands, Denmark, Norway, Sweden, Ireland, Belgium, Luxembourg, Germany, Switzerland, Austria, Italy, Greece and Turkey. 2/ 1953 production, excluding Turkey.

ESTIMATED 1954 WORLD PRODUCTION OF LEAF TOBACCO 1/

Summary

Total leaf tobacco harvested in 1954 in specified countries listed in the accompanying table is estimated at 7,755 million pounds. This is almost 4 percent above the amount harvested in 1953 when United States output was decreased substantially by drought conditions and is about 500 million pounds greater than the 1947-51 average.

1/ Does not include Manchuria. Data relative to the quantities of tobacco grown and consumed at home without entering commercial channels are not available in many countries.

EUROPE: (Including U.S.S.R.)

AFRICA:

Algeria	56	75	86	78	691	595	740	678	38,667	44,671	65,119	52,905
Belgian Congo	2/	2/	2/	2/	2/	2/	2/	3/	3/	1,684	1,950	2,000
Kenya	2/	2/	2/	2/	2/	2/	2/	2/	300	520	520	520
Nyasaland	2/	2/	2/	2/	2/	2/	2/	2/	15,751	28,627	35,349	32,454
Tanganyika	2/	2/	2/	2/	2/	2/	2/	2/	874	4,588	3,596	5,405
Uganda	4	6	8	9	375	445	471	420	1,500	2,671	3,770	3,780
French Morocco	1	1	5	5	1,040	1,027	1,123	979	704	1,278	5,618	4,894
Madagascar	19	12	19	20	764	642	507	460	14,164	7,190	9,632	9,259
Mauritius	6/	1	1	1	1,200	1,215	1,600	800	650	850	1,454	1,058
Mozambique	4/	1	4	4	4/	400	400	400	4/	1,535	1,500	2,420
Nigeria	1	50	52	57	300	450	500	525	300	22,490	26,450	29,930
Northern Rhodesia	4	15	20	24	486	410	520	350	1,585	6,085	10,493	8,235
Southern Rhodesia	50	136	180	175	504	626	580	690	26,150	84,678	105,618	120,250
Tunisia	1	2	4	4	1,200	1,100	1,160	725	1,262	2,205	4,638	2,906
Union of South Africa	47	93	86	76	523	510	513	528	24,972	47,421	44,160	40,552
Total Africa	134	395	465	453	-	-	-	-	127,345	256,494	319,867	316,568

ASIA:

Asia Minor:												
Cyprus	1	3	2	2	285	460	575	575	226	1,198	1,478	1,270
Iran	35	40	66	46	900	722	609	608	34,542	29,355	40,329	27,998
Iraq	11	14	19	25	732	925	898	930	8,057	12,928	17,075	23,200
Lebanon	4	4/	5	8	600	4/	680	580	2,350	3,525	3,907	4,651
Syria	11	16	12	17	730	719	706	654	8,250	11,570	8,097	10,693
Turkey	194	304	340	323	661	638	730	640	128,505	194,109	249,119	206,350
Asia Major:												
Burma	108	129	138	135	726	690	754	786	78,400	88,800	103,712	106,064
Ceylon	4/	14	15	13	615	573	480	536	9,000	5,730	7,100	6,700
China 3/	1,228	1,452	1,400	1,410	1,021	1,017	950	950	254,539	1425,000	1,330,000	1,340,000
India	2/	917	812	895	830	674	675	644	2/761,000	547,150	539,840	573,440
Indochina	4/	44	30	45	4/	600	667	735	4/32,004	15,000	20,000	33,100
Pakistan	2/	355	172	174	913	910	946	1,045	2/324,053	156,511	164,771	200,627
Indonesia	449	4/	350	350	495	349	303	330	222,372	62,230	106,105	115,000
Japan	92	129	160	172	1,621	1,619	1,455	1,487	148,680	208,092	224,417	255,817
Korea	46	44	35	61	1,239	1,302	938	1,072	57,304	59,080	32,848	65,401
Philippine Islands	176	111	89	90	474	552	602	608	82,292	62,066	54,005	54,700
Taiwan (Formosa)	4	3	14	14	1,490	3/	1,569	1,550	5,961	13,740	21,967	21,715
Thailand	4/	53	83	108	4/	380	375	364	25,900	35,200	40,695	41,890
Total Asia (excl. U.S.S.R.)	3,742	3,527	3,853	3,908	-	-	-	-	3,183,435	2,931,284	2,965,965	3,088,616

OCEANIA:

Australia	10	5	8	8	532	789	811	963	5,276	3,649	6,507	7,947
New Zealand	2	4	4	3	787	1,265	1,200	1,410	1,367	4,925	4,797	4,229
Total Oceania	12	9	12	11	-	-	-	-	6,643	8,574	11,304	12,176
Total World	7,411	7,873	8,336	8,556	-	-	-	-	6,491,933	7,255,971	7,465,560	7,755,354

1/ Farm sales weight is about 10 percent above the average dry weight, which is normally reported in export trade statistics. 2/ Preliminary. 3/ Not available.
 4/ Less than a 5-year average. 5/ In the case of Germany, data are for Western Germany only. 7/ Includes estimated figures for Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland, Rumania and Soviet Union. 6/ Less than 500 acres. 8/ Does not include Manchuria. 9/ Recently methods of estimating acreage and production have changed in an effort to improve data; therefore, data for 1935-39 are not comparable with later information.

Acreage in 1954 was about 2.6 percent above that of 1953 and the overall average yield per acre was this year also slightly higher than that of last year. The greatest increases in acreage for harvest in 1954 were in Greece, Brazil, Canada, Cuba, Iraq, Colombia, and Pakistan. There were relatively few decreases in area planted and most of the declines were small but the largest reductions were in Iran, Turkey, the Union of South Africa, Algeria and Argentina. The largest increases in production in 1954 as compared to 1953 were in the United States, Canada, India, Southern Rhodesia, Indochina, Cuba and Western Germany. The greatest declines were in Turkey, Iran, Italy and Argentina.

Production by Areas

North America

Production in 1954 is estimated at 2,618 million pounds, up about 173 million from 1953 and approximately 6.5 percent above the 1947-51 average. This is due chiefly to larger output in the United States, Canada, Cuba and the Dominican Republic, but production was increased in all North American countries except Costa Rica, El Salvador, Guatemala and Panama. The greatest increases in acreage were in Canada, Cuba, Honduras and Puerto Rico. The decreases in acreage were small and confined to only Guatemala, El Salvador and Costa Rica, all of which are relatively unimportant tobacco-producing areas. Due primarily to the continuing favorable price and general demand for cigar leaf, production of this kind of tobacco was stimulated in 1954 in tobacco-producing islands of the Caribbean area, particularly Cuba, the Dominican Republic and Puerto Rico.

South America

The estimated production of 472 million pounds for South America in 1954 was only slightly below that of 1953 and was the second highest outturn on record. All the decrease as compared to 1953 is due to smaller production in Argentina and Paraguay. Output in all except these two countries increased. Production of Bahia cigar in Northern Brazil was well above that of 1953 when output was far below normal due to severe drought conditions during the December 1952-March 1953 period.

Europe (Including the U.S.S.R.)

Production in 1954 is estimated at 1,248 million pounds, almost the same as in 1953. Production for the Iron Curtain countries was estimated at 662 million pounds in 1954, about the same as in 1953, although little is known about the exact levels of output in these countries. A large increase of 11 million pounds (almost 25 percent) in Germany was almost offset by a decline of 10 million pounds in Italy -- the latter due chiefly to dry weather. There was a large increase in acreage in Greece, but the rise in output was small due to drought conditions.

Asia

Total production in Asia (excluding Manchuria) in 1954 is estimated at 3,089 million pounds or about 4 percent above 1953 and over 5 percent above the 1947-51 average.

There were relatively large declines in output in Turkey and Iran with small decreases in Cyprus and Ceylon, but output increased in all other countries. There were large increases in production in Pakistan, India, Japan, Korea, and Indochina with small increases in a number of other areas. Combined production of India and Pakistan is still below the level reported in the 1935-39 period, but much of this may be due to the differences in methods of estimating production. While little is known in regard to China, the most important tobacco-producing country in Asia, it is reported that 1954 tobacco acreage and production were slightly above 1953.

Africa

The estimated production for 1954 is 316.6 million pounds or about the same as in 1953 but this year's outturn is approximately one-fourth above the 1947-51 average of 256.5 million pounds. These data indicate the continuation of an upward trend in most African areas.

The largest increases in production were in Southern Rhodesia, Nigeria and Tanganyika (all British territories). Output declined in Algeria, Tunisia, Nyasaland and Union of South Africa, but in all of these except the Union of South Africa, the 1954 production was still well above the 1947-51 average. The decline in the Union is believed to be only temporary as there has been a shift in kinds of leaf reportedly grown and there has not been sufficient seed of the improved varieties to plant the acreages desired in the last 2 years.--By James W. Birkhead.

Oceania

The estimated output of 1954 is 12.2 million pounds, a rise of 870,000 pounds as compared to 1953. Output increased about 1.44 million pounds in Australia, but declined 570,000 pounds in New Zealand.

U.S. COTTON EXPORTS SLOW IN SEPTEMBER

Exports of cotton from the United States in September amounted to 209,000 bales of 500 pounds (199,000 running bales) making a total of 407,000 bales (389,000 running bales) for August-September, 1954. Both the September figure and the August-September total are nearly equal to the figures for corresponding periods a year ago. Unofficial trade figures published by the New York Cotton Exchange indicate that exports during October may have exceeded those of October 1953 (229,000 bales) by as much as 100,000 bales.

The lag in shipments in September below what was generally expected is believed to be due to uncertainty abroad earlier in the season concerning the size of the United States crop and the terms of sale under the Government's export programs. Both factors are strong influences on the world price level as well as prices of United States cotton. These factors together with low stocks and higher prices are probably responsible for a sharp decline in exports of cotton from several foreign countries in August and September.

UNITED STATES: Exports of cotton by countries of destination;
averages 1935-39 and 1945-49; annual 1952 and 1953;
August-September 1953 and 1954

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Averages		1952	1953	August-September	
	1935-39	1945-49			1953	1954
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Austria.....	0	1/ 36	47	42	3	1
Belgium-Luxembourg.....	169	131	73	68	5	9
Czechoslovakia.....	65	57	0	0	0	0
Denmark.....	33	14	34	23	4	2
Finland.....	35	21	4	10	0	0
France.....	662	575	507	475	51	52
Germany.....	511	340	241	389	30	46
Italy.....	442	489	272	269	23	24
Netherlands.....	107	131	79	104	7	7
Norway.....	17	7	11	14	1	1
Poland and Danzig.....	180	69	0	0	0	0
Portugal.....	36	2/	1	0	0	0
Spain.....	108	69	77	167	27	1
Sweden.....	115	12	36	43	4	3
Switzerland.....	11	26	28	24	4	10
United Kingdom.....	1,346	488	359	422	36	56
Yugoslavia.....	17	47	86	40	21	12
Other Europe.....	31	3/ 33	6	10	1	0
Total Europe.....	3,885	2,545	1,861	2,100	217	224
Australia.....	9	7	11	45	6	6
Canada.....	301	275	284	237	22	37
Chile.....	9	20	1	27	2/	3
China.....	117	401	0	0	0	0
Colombia.....	20	24	35	7	0	1
Cuba.....	11	16	12	20	2	6
French Indochina.....	22	6	13	16	2/	0
Formosa.....	4/	1	107	110	1	19
India.....	52	36	45	161	3	5
Indonesia.....	2/	5	17	22	2	3
Israel.....	4/	5	14	12	2	3
Japan.....	1,142	585	691	1,005	122	69
Korea, Republic of.....	4/	5/ 48	41	96	29	23
Philippines, Republic of.....	2	4	16	8	0	0
Other countries.....	19	6/ 37	28	7/ 48	6	9
Total.....	5,589	4,065	3,181	3,914	412	407

1/ 4-year average. 2/ Less than 500 bales. 3/ Includes Greece 21. 4/ If any, included in "Other Countries." 5/ 3-year average. 6/ Includes Hong Kong 35.
7/ Includes Ethiopia 11, French Morocco 9, and Hong Kong 9.

The slow early season movement appears to be temporary, however, because foreign consumption is still holding at last year's record level and stocks are low in most foreign importing countries. The major causes for uncertainty regarding price levels this season, i.e. size of United States crop, availability and pricing of Government-held stocks and regulations for sale under the new export programs, have now all been settled within reasonable limits.--By Charles H. Barber.

LATE-SEASON INCREASE IN PERU'S 1953-54 CROP OF TANGUIS COTTON

Heavy late-season marketings of Tanguis cotton in Peru indicate that the 1953-54 total crop for all varieties may reach a record high of approximately 468,000 bales (500 pounds gross), according to George H. Day, Agricultural Attache, American Embassy, Lima. Earlier estimates had placed the 1953-54 crop at 442,000 bales. The forecast of the 1954-55 crop is for 470,000 bales.

The unexpected increase has been explained by the trade, as the result of late-season development of bolls caused by exceptionally favorable weather, and a hitherto unreported expansion of acreage in late-maturing strains of Tanguis. The indicated crop is at least 10 percent greater than that of either of the two preceding years.

The bulk of the late-Tanguis pickings were apparently of low quality, as evidenced by the continued wide spread between prices of the lower and better grades of this variety. Prices for both Tanguis and Pima continued steady throughout recent weeks, at levels substantially above those of a year earlier. Advance or deferred sales of cotton through October, mostly Tanguis of next season's crop (1954-55) have totaled about 45 percent less than those for the same period a year earlier. These sales have been made at prices only slightly higher than those for spot cotton. There is reportedly less tendency to make advanced payments on these contracts than was the case a year earlier.

Spot quotations in Lima for certain varieties of Tanguis and Pima on November 25, 1954, were as follows:

	Soles per net Spanish quintal	Equivalent U.S. cents per lb.	
		Spot quotation	Export and other taxes 1/
Tanguis, Type 3½	2/ 615	31.92	8.38
Tanguis, Type 5	2/ 580	30.10	6.53
Pima, Type 1	2/ 755	39.18	9.50
<u>1/</u> Not included in quotation. <u>2/</u> Nominal.			

Peru's cotton exports during the year August-July, 1953-54, amounted to 361,000 bales, or about 9 percent below exports of 398,000 bales in 1952-53. The United Kingdom was the principal destination, with Belgium, Germany, and Chile ranking next in volume, in the order listed. Exports to the United States, mainly of Pima, amounted to 8,000 bales in 1953-54, as compared with 15,000 in the previous year.

PERU: Exports of cotton by countries of destination;
averages 1935-39 and 1945-49; annual 1950-53

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Averages		1950	1951	1952	1953
	1935-39	1945-49				
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Belgium	14.2	25.4	38.5	26.3	47.5	44.2
France	9.0	5.9	11.4	55.5	24.6	25.4
Germany	78.3	2.5	17.9	6.8	30.2	43.3
Italy	5.2	14.9	2.6	2.0	2.6	2.4
Netherlands	13.7	10.3	11.0	6.0	24.8	26.8
Switzerland .....	.6	21.6	12.3	6.5	6.3	5.6
United Kingdom	169.4	83.7	138.2	94.3	74.2	104.4
United States	1.6	25.8	10.4	11.7	14.6	8.0
India	2.7	28.4	15.3	2.6	3.5	.3
Japan	29.6	.2	13.3	5.3	16.6	12.7
Argentina .....	.3	6.8	10.9	8.5	6.6	14.0
Chile	8.5	28.3	12.0	48.1	71.9	33.3
Colombia .....	.4	29.4	10.8	11.7	39.1	20.6
Other countries	4.2	18.1	16.5	21.9	35.1	20.1
Total	337.8	301.3	321.1	307.2	397.6	361.1

Foreign Agricultural Service.

Source: Algodon and reports of Agricultural Attaches and other U.S. representatives abroad.

Cotton consumption in Peru during the year 1953-54 amounted to 65,000 bales, as compared with 63,000 in 1952-53, and 48,000 in 1951-52. Cotton mill activity is currently reported at or near record rates, with some mills using new equipment, and most mills on a 2-shift basis. This increase may be attributed to expanding demand, recently accelerated by the increased duty on cotton fabrics, effective October 11, 1954.

Peruvian inventories of cotton in all hands are believed to be somewhat greater than those of a year earlier, and were estimated at 235,000 bales on August 1, 1954, as compared with 230,000 held a year earlier. Port stocks of Tanguis and other cotton which reached a peak in early June were maintained until August 12, but have since declined. Stocks of Pima and Karnak have been increasing steadily during the current marketing year, and with the exception of the immediate post-war year 1945, are seasonally the largest on record.

GREECE INCREASES COTTON EXPORT QUOTA AND REDUCES EXPORT TAX

Greece has authorized an additional export quota of 16,000 bales (500 pounds gross) for ginned cotton from the 1954-55 crop, which brings the total quota to 39,000 bales. The quota of 23,000 bales established in September 1954 was for shipment after November 1, and the increase authorized on October 29, was applicable to exports after December 15, 1954. Export licenses were issued after November 15 against letters of credit for the full value of the orders on a first-come-first-served basis.

The cotton export tax was reduced from 4 to 2 new-issue drachmas (13.33 to 6.66 U. S. cents) per dollar of f.o.b. export price effective for exports made after October 31, 1954. The new tax rate is equivalent to 2.4 to 2.6 U.S. cents a pound based on the quotations shown below.

Unlimited exports of domestic cotton have been authorized beyond the export quotas on condition that an equivalent amount of Brazilian cotton will be imported in each case, and paid for through the Greek-Brazilian bank clearing account. This arrangement is presumably planned to reduce the credit balance in the Greek-Brazilian clearing account which amounted to \$3.8 million as of September 30, 1954.

About 95 percent of the 177,000-bale crop for 1954-55 was harvested under excellent conditions. This means that the grade of this year's crop will be satisfactory. The staple length is somewhat shorter than last year, which is attributed to the absolute lack of rain during the summer which affected that part of the crop grown without irrigation.

The Ministry of Commerce granted export licenses for the additional 16,000 bales of cotton for shipment after December 15, and within 10 days orders for twice this amount had been received from Italy, France, Yugoslavia, and Germany. Export licenses for the quota of 23,000 bales granted in September for shipment after November 1, were fulfilled at prices between \$850 and \$920 per metric ton (38.56 to 41.73 cents a pound) c.i.f. French or Italian ports. This cotton is believed to be roughly equivalent to U. S. Middling 1-1/16 inches or better.

The latest estimate from the Hellenic Cotton Board indicates that the 1954-55 crop will reach 177,000 bales or 27 percent higher than production of 139,000 bales in 1953-54. Greece has only recently become a cotton exporter, with total exports in 1953-54 amounting to 29,000 bales (France 13,000, Italy 14,000 and other countries 2,000). Exports for 1952-53 amounted to 26,000 bales (France 4,000, United Kingdom 16,000, and Yugoslavia 6,000).

Domestic consumption of cotton in Greece amounts to about 120,000 bales annually; imports in 1953-54 were approximately 1,000 bales; and stocks on August 1, 1954, were estimated at 16,000 bales.

WORLD BUTTER AND CHEESE PRICES

DAIRY PRODUCTS: Current wholesale prices at specified markets, with comparisons

(In U. S. Cents Per Pound)

Country, market and description	Butter				Cheese			
	Date		Quotations		Date		Quotations	
	1954		Price	Month : Year	1954		Price	Month : Year
			earlier	earlier			earlier	earlier
<u>United Kingdom (London)</u>								
Group 1	:Oct.28:	47.5:	46.2 :	-	:Oct.28:	25.0:	23.7 :	-
Group 2	:Oct.28:	43.7:	43.7 :	-	:Oct.28:	17.5:	17.5 :	-
Group 3	:Oct.28:	42.5:	42.5 :	-	:Oct.28:	16.9:	16.9 :	-
National butter	:Oct.28:	- :	- :	40.6:	- :	- :	- :	-
Ration varieties	: - :	- :	- :	-	:Oct.28:	- :	- :	24.9
<u>Australia (Sydney)</u>								
Choicest butter	:Nov. 1:	41.6:	41.6 :	41.6:	- :	- :	- :	-
Choicest Cheddar	: - :	- :	- :	-	:Nov. 1:	25.7:	25.7 :	25.7
<u>Irish Republic (Dublin)</u>								
Creamery butter (bulk)	:Nov. 3:	48.8:	48.8 :	54.7:	- :	- :	- :	-
Cheese	: - :	- :	- :	-	:Nov. 3:	30.8:	30.8 :	30.8
<u>Denmark (Copenhagen)</u>								
	:Oct.28:	42.0:	42.0 :	42.0:	- :	- :	- :	-
<u>France (Paris)</u>								
Charentes Creamery butter	:Oct.28:	72.6:	71.9 :	94.6:	- :	- :	- :	-
<u>Germany (Kempten)</u>								
Markenbutter	:Oct.27:	62.7:	62.2 :	58.9:	- :	- :	- :	-
<u>United States</u>								
92-score creamery (N.Y.)	:Nov. 5:	58.5:	60.2 :	68.8:	- :	- :	- :	-
Cheddar (Wisconsin)	: - :	- :	- :	-	:Nov. 5:	32.5:	32.5 :	36.2
<u>Netherlands (Leeuwarden)</u>								
Creamery butter	:Oct.30:	45.9:	45.9 :	46.0:	- :	- :	- :	-
Full cream Gouda	: - :	- :	- :	-	:Oct.22:	26.4:	24.6 :	23.7
Edam 40 percent	: - :	- :	- :	-	:Oct.22:	24.4:	22.3 :	21.5
<u>Belgium (Hasselt)</u>								
	:Oct.28:	79.5:	78.0 :	82.0:	- :	- :	- :	-
	: :	:	:	:	:	:	:	:
<u>Canada (Montreal)</u>								
1st grade creamery	:Oct.23:	59.8:	59.8 :	62.0:	- :	- :	- :	-
Ontario white	: - :	- :	- :	-	:Oct.23:	30.9:	30.9 :	30.4

Sources: Intelligence Bulletin, The Commonwealth Economic Committee; U. S. Consular Reports; and the Dairy Division, Agricultural Marketing Service, U.S.D.A.

CANADIAN SEED CROPS HURT BY UNFAVORABLE WEATHER

Alfalfa seed production for 1954 in Canada, according to the November seed crop report, has been estimated at 2,820,000 pounds of clean seed -- only about 29 percent of the 1953 production -- and about 75 percent less than the 1944-53 average, because of the unusually cool and wet weather in Alberta and Saskatchewan.

The alsike clover seed estimate indicates that the crop may not be more than 55 to 60% of the large crop of 1953. Production has been estimated at 5,480,000 pounds, or about 113 percent of the 10-year average.

Red clover seed production in Canada is estimated at about 3,770,000 pounds, or about 36 percent of 1953 production.

Sweet clover seed production is estimated at 9,200,000 pounds, or slightly more than one-half the 10 year average and about three-fourths of the 1953 production.

DROUGHT HURTS RUSSIAN CROPS

An official Soviet report, published on November 10, confirmed the fact that a number of important agricultural regions in the Ukraine and the Volga areas of the Soviet Union suffered from a drought which reduced grain and other crops. A very good harvest was gathered, however, according to official reports, in the eastern regions of the country, in the Urals, Siberia, and Kazakhstan, despite the heavy rains which interfered with harvesting and must have resulted in serious crop losses in many of these regions.

The area sown, mostly to spring wheat, also increased in the eastern regions last spring, as a consequence of the current campaign to bring uncultivated land into production. (See: "The New Battle for Grain in Soviet Russia," Foreign Agriculture, November, 1954, pp. 194-199.) However, a relatively small proportion of the new acreage target was seeded last spring--less than 9,000,000 acres, while a fourfold expansion is planned for next year.

The Government plan for compulsory deliveries and extra purchases of grain from collective farms and deliveries of state farms was slightly overfulfilled by November 5, 1954, ahead of schedule. Such grain collections, as a result of the reported good harvest in the east, exceeded those on the same date of last year by 5.2 million short tons, of which wheat constituted 31.5 percent or 55 million bushels. For a number of regions, however, grain collection goals were set lower than last year because of the drought. For the Ukraine the collection goal was reduced by more than 4 million short tons; for the Urals, Siberia and Kazakhstan, however, the Government grain collections increased by 7.8 million short tons.

In general, compulsory delivery quotas for grain at low fixed prices were reduced this year, but the reduction was more than compensated by increased extra purchases of grain by the Government at prices above those paid for compulsory deliveries. In addition to the above-mentioned direct collections from collective and state farms, the Government obtains a large supply of grain through the payment in kind by the collective farms to the state machine-tractor stations.

PERU'S LARD IMPORTS DROP SHARPLY

The production of cottonseed oil in Peru has been inadequate to offset the decline in supplies of lard and butter, in spite of record cotton production, reports George H. Day, Agricultural Attache, American Embassy, Lima. Some increase in lard production since 1953 has been more than offset by declining imports. Market conditions would seem to warrant importation of a few thousand tons more in 1955 than in 1954.

Domestic production of cottonseed oil increased 20 percent from 1953 to 1954 in Peru; the production of lard was increased almost 3 percent. It has been forecast that there will be a further slight increase in lard production in 1955, although production of cottonseed oil may be down slightly from 1954, as may be seen from the following table:

PERU: Supply of edible fats and oils, 1953, 1954
and forecasts for 1955

(Short tons)				
Year and edible fats and oils	Production	Net imports	1/	Total supply
1953 (Final):				
Lard.....	9,301	11,012		20,313
Cottonseed oil.....	22,184	358		22,542
Butter.....	1,764	731		2,495
1954 (Preliminary):				
Lard.....	9,577	3,296		12,873
Cottonseed oil.....	26,621	298		26,919
Butter.....	1,764	610		2,374
1955 (Forecast):				
Lard.....	9,990	5,500		15,490
Cottonseed oil.....	26,460	330		26,790
Butter.....	1,790	540		2,330

1/ Imports less minor quantities of exports of lard.

Source: American Embassy, Lima.

Peru's imports of lard in 1954 were less than 30 percent of the above-average quantity imported in 1953. Imports of cottonseed oil and butter were also off some from the 1953 levels.

Even with the increased production of cottonseed oil, Peru has experienced a decline in supplies of edible fats and oils. According to the forecast contained in the above table, it is expected that the 1955 imports of lard may be about 2,200 short tons more than this year.

(The United States exported nearly 7,700 short tons of lard to Peru in 1953 and, in the first 9 months of 1954, just under 1,900 tons. United States exports of inedible tallow, greases and oils to Peru in 1953 were 5,775 short tons, and in the first 9 months of 1954 almost 3,800 tons. Peru also imports token quantities of cottonseed oil annually from the United States.)

ARGENTINE LINSEED OIL STOCKS VIRTUALLY LIQUIDATED

The Argentine Trade Promotion Institute (IAPI) on November 18 sold for export 35,000 metric tons (38,580 short tons) of linseed oil at 93 pesos per quintal (8.4 cents per pound) basis f.o.b. Buenos Aires.

This sale virtually completes the liquidation of Argentine stocks of linseed oil. On the basis of information available to the Foreign Agricultural Service, the linseed oil stock position in Argentina now appears to be about as follows:

Supply	<u>1,000 short tons</u>
Carry-in January 1, 1954	240
Crop (1953-54)	<u>120</u>
Total supply	360
Distribution	
Domestic consumption	33
Exports	
January 1 - September 1	164
Sold for export by IAPI (July 23)	110
Sold for export by IAPI (November 18)	<u>38</u>
Total exports and sales for export	312
Available for sale and/or carry-out (late November)	<u>15</u>
Total distribution	<u>360</u>

In arriving at the above calculations it is assumed that the exports from January 1 to September 1 of about 164,000 tons did not include any of the oil from the 110,000-ton sale late in July. Thus, that quantity, and the 38,000 tons sold in November, are added to the unofficially reported exports of January-August, although some of the oil from these two sales actually may not be exported until after January 1, 1955.

ARGENTINA TO SELL OILS AND FATS TO YUGOSLAVIA

Oils and fats are among the commodities that Argentina may export to Yugoslavia in the year ending August 14, 1955, reports Findley Weaver, American Embassy, Buenos Aires. The lists of commodities to be exchanged between the two countries, in accordance with the present trade and payments agreement signed August 13, 1953, were modified and clarified by mutual agreement on September 20, 1954.

According to the Argentine list, provision is made for the exportation of linseed oil to the value of \$800,000 and industrial tallow and fat \$600,000. In addition, there may be exported both tung and shark liver oils, although the values for these are not specified.

The Argentine list of exports, valued at \$13.5 million, consists largely of agricultural items--chiefly hides, wool, wheat (and flour), and oils and fats. The Yugoslavian list, also totaling \$13.5 million, is made up chiefly of unfinished wood and metal products, and chemicals.

ISRAEL FORESEES SHORT FATS AND OILS SUPPLY

Food authorities of Israel have found it difficult to provide sufficient stocks of oilseeds to permit full rations of margarine and edible oils, according to the American Embassy, Tel Aviv. This has been especially true since the discontinuation of the distribution of United States surplus butter in early June 1954.

The consumption of fats and oils in Israel is not increasing and probably will decline. Available data on oils and oilseeds are insufficient to give any figures or estimates of imports and consumption.

Fat consumption in 1953-54 in Israel was probably higher than the preceding year. This was mainly attributable to the abundance of United States surplus butter at low prices for about half the year.

The Government is budgeting a smaller amount for the import of food-stuffs in 1954-55, in fact, 13 percent less than in the preceding year. Thus oilseed imports during this fiscal year may be down somewhat from last year.

NYASALAND'S TUNG OIL PRODUCTION MORE THAN DOUBLE THE 1953 LEVEL

Tung production in Nyasaland (British East Africa) in 1954 is expected to more than double the 1953 output, according to information available to the Foreign Agricultural Service. Although 1954 figures are incomplete, production is estimated at 3,000 short tons of nuts and 1,020 tons of oil compared with 1,340 tons of nuts and 490 tons of oil produced in 1953. Production in 1955 is expected to drop to an estimated 1,850 tons of nuts and 670 tons of oil.

Nyasaland's entire production of tung oil is exported with a sizable portion of the total going to the United States.

INDIA'S OILSEED CROPS MAY BE UP SLIGHTLY

Both acreage and production of oilseeds in India in 1954-55 will be slightly above 1953-54, according to present indications, reports Tilmer O. Engebretson, Agricultural Attache, American Embassy, New Delhi. The forecast of the area in principal oilseed crops for 1954-55 is 28.0 million acres, compared with 27.6 million acres in 1953-54 (excludes 446,000 acres of peanuts in areas previously unreported, but hereafter to be reported).

INDIA: Estimated acreage and production of principal vegetable oilseed; and their oils, 1951-52 to 1953-54; forecast of 1954-55 peanut and sesame crops

Year	Peanuts <u>1/</u>	Sesame	Castor- bean <u>2/</u>	Rape and mustard	Flaxseed	Total
	Area (1,000 acres)					
1951-52 <u>3/</u>	12,151:	5,942:	1,437:	5,934:	3,409:	28,873
1952-53 <u>3/</u>	11,850:	5,860:	1,357:	5,199:	3,395:	27,661
1953-54 <u>3/</u>	11,356:	6,132:	1,368:	5,373:	3,369:	27,598
1954-55 <u>4/</u>	11,800:	6,200:	1,400:	5,300:	3,300:	28,000
	Production (1,000 short tons)					
1951-52 <u>3/</u>	3,519:	498:	119:	1,032:	357:	5,525
1952-53 <u>3/</u>	3,230:	515:	119:	937:	402:	5,203
1953-54 <u>3/</u>	4,225:	595:	120:	925:	398:	6,263
1954-55 <u>4/</u>	4,256:	605:	- :	- :	- :	-
	Oil production (1,000 short tons) <u>5/</u>					
1952-53	688:	168:	90:	168:	119:	1,233
1953-54	896:	207:	92:	179:	121:	1,495

1/ Unshelled nuts. 2/ Oil production is complete but estimates of acreage and oilseed production do not include the inter planted crop in some states.
3/ Latest official estimates. 4/ Embassy forecast. 5/ Rough approximations only as there are no official or trade estimates of vegetable oil production.

Source: American Embassy, New Delhi.

The total estimated production of major oilseeds in India in 1953-54 of 6,263,000 short tons was significantly above both the 1951-52 and 1952-53 levels. This increase was due only in part to a larger planted area. In the main, it was due to a higher yield per acre, particularly of peanuts, which was sufficient to offset a slight decline in the production of rape and mustard and flaxseed.

U. S. SOYBEAN EXPORTS AT RECORD HIGH; OIL EXPORTS DOWN SHARPLY

United States exports of soybeans and soybean oil during the crop year 1953-54 (October-September) totaled almost 46.4 million bushels on a soybean equivalent basis. This volume represents an increase of 12 percent from the 41.3 million bushels bean equivalent exported in 1952-53, but is 40 percent less than the record quantity of almost 79.2 million bushels exported in 1950-51. Exports of soybeans, as such, were at an all-time high of 39.5 million bushels, up almost one-fourth from the previous record in the 1952-53 crop year. In contrast exports of soybean oil (crude basis) at 72 million pounds were roughly one-fourth less than the 1952-53 total and the lowest since the year 1944-45. Oil shipments reached a record high of 502 million pounds in 1950-51.

UNITED STATES: Exports of soybeans and soybean oil and total exports in soybean equivalent, crop years October-September 1951-1952, 1952-1953 and 1953-1954

Country of destination	1951-1952				1952-1953				1953-1954			
	Soybeans	Soybean	Total		Soybeans	Soybean	Total		Soybeans	Soybean	Total	
	bushels	oil 2/	equiva-		bushels	oil 2/	equiva-		bushels	oil 2/	equiva-	
		pounds	lent			pounds	lent			pounds	lent	
Canada.....	4,286:	11,951:	5,507:	1,000	4,520:	16,495:	6,167:	1,000	4,708:	15,301:	6,165	1,000
Cuba.....	1:	6,203:	635:	1,000	3/	4,088:	408:	1,000	3/	3,258:	310	1,000
Haiti.....	-	894:	91:		-	789:	79:		-	341:	32	
Mexico.....	2:	3,681:	378:		3/	23:	10:		-	192:	18	
Netherlands Antilles.....	-	915:	94:		-	100:	10:		-	31:	3	
Panama, Republic of.....	3/	369:	38:		-	244:	24:		-	170:	16	
Chile.....	-	28,356:	2,899:		-	-	-		-	278:	26	
Colombia.....	-	57:	6:		-	1,426:	142:		-	32:	3	
Peru.....	-	1,975:	202:		-	-	-		-	-	-	
Venezuela.....	-	17:	2:		-	21:	2:		-	148:	14	
Austria.....	-	1,899:	194:		-	4,458 1/4:	445:		-	-	-	
Belgium-Luxembourg.....	1,502:	14,015:	2,935:		1,058:	856:	1,143:		674:	903:	760	
Denmark.....	258:	542:	314:		1,448:	-	1,448:		612:	-	612	
France.....	1,418:	76:	1,426:		218:	1,208:	338:		881:	413:	920	
Germany, Western.....	2:	27,486:	2,812:		1,595:	28,623:	4,451:		4,821:	19,992:	6,725	
Iceland.....	-	533:	54:		3/	333:	33:		2/	268:	26	
Italy.....	2/	20,203:	2,066:		-	4,966:	496:		423:	-	41	
Netherlands.....	1,476:	88,609:	10,536:		2,723:	17,513:	4,471:		5,885:	20,796:	7,866	
Norway.....	745:	-	745:		676:	-	676:		559:	-	559	
Spain.....	-	5,090:	520:		-	-	-		-	-	-	
Sweden.....	-	2,259:	231:		-	-	-		-	-	-	
Switzerland.....	74:	22,302:	2,354:		-	3,349:	334:		20:	5,784:	571	
Free Territory of Trieste....	-	233:	24:		-	-	-		-	-	-	
United Kingdom.....	-	27,326:	2,794:		84:	1,631:	247:		1,563:	901:	1,649	
Yugoslavia.....	-	1,817:	186:		184:	-	184:		-	-	-	
Hong Kong.....	-	-	-		4:	6:	4:		261:	-	261	
Israel.....	682:	4,747:	1,168:		674:	2,720:	945:		54:	35:	57	
Japan.....	4,299:	-	4,299:		14,508:	-	14,508:		16,021:	35:	16,024	
Korea.....	-	-	-		526:	-	526:		11:	-	11	
Philippines.....	139:	106:	150:		136:	21:	138:		129:	11:	130	
Taiwan (Formosa).....	2,162:	427:	2,206:		3,553:	2,400:	3,793:		3,220:	-	3,220	
Algeria.....	-	-	-		-	1,674:	167:		22:	119:	33	
Tangier.....	-	22:	2:		-	127:	13:		-	58:	6	
Other countries.....	3/	1,379:	142:		1:	1,494:	151:		57 1/2:	2,516 1/2:	298	
Total.....	17,046:	273,489:	45,010:		31,908 1/4:	94,565 1/4:	41,346:		39,498:	72,005:	46,356	

1/ Preliminary. 2/ Crude and refined oil in terms of crude oil. 3/ Less than 500 bushels. 4/ Revised. 5/ Includes 1,477,560 pounds to French Morocco. 6/ Includes 140,720 bushels to French Morocco.

Compiled from official sources.

The increased volume of soybean exports reflects the larger quantities shipped to Japan, by far the major market the past 2 years, Western Germany, the Netherlands, the United Kingdom and several other countries. Over 1.5 million bushels of beans were sent to the United Kingdom whose purchases prior to last year had been virtually nil. In contrast, the quantities exported to a number of countries, including Belgium, Denmark, Israel, Korea and Taiwan, were substantially smaller than in 1952-53.

The sharp decline from 1952-53 in exports of soybean oil was to a great extent due to the appreciably smaller quantities of oil sent to Europe. Shipments to Western Germany alone declined by 8.6 million pounds. Oil shipments to a number of non-European countries, including Canada, Colombia, Israel, Algeria and Taiwan, also declined significantly. Virtually the only countries to which larger quantities of oil were sent were the Netherlands and Switzerland.

INDIA RELEASES NEW PEANUT AND CASTOR OIL EXPORT QUOTAS

The Government of India has released additional export quotas for castor oil, peanut oil and peanuts. A further quota of 15,000 long tons (16,800 short tons) of castor oil is permitted for shipment by the end of March 1955. The previous action of the Government--on June 25--regarding castor oil released, established a quota equal to 50 percent of the actual shipments made by exporters during 1953, subject to a maximum allotment of 400 long tons (448 short tons) for any one shipper, and was to be valid to the end of October. (See Foreign Crops and Markets August 16, 1954.)

The new peanut oil quota, effective to the end of March 1955, allows a maximum of 600 tons (660 short tons) and a minimum of 5 tons (5.6 short tons) per shipper. The previous quota, valid through October, permitted allotments to established shippers equal to 15 percent of the highest shipments in any one of the four fiscal years ending March 31, 1952, subject to a maximum of 400 tons and a minimum of 5 tons per shipper. (See Foreign Crops and Markets September 6, 1954.)

In addition to the new castor and peanut oil quotas, the export of a small quantity of hand-picked selected peanut kernels also will be allowed.

U. S. EXPORTS OF FATS AND OILS SET NEW RECORD

A phenomenal expansion in the exported quantities of soybeans, cottonseed oil, flaxseed, linseed oil, and fish oils pushed the total United States export volume of fats, oils, and oilseeds--in terms of oil equivalent--to a new high level in the 1953-54 marketing year. Moreover, inedible tallow and grease exports broke the previous record established in 1952-53. In large measure the new record export level of all fats and oils came about as a result of substantial sales for export from the stocks of cottonseed oil, linseed oil, flaxseed, and peanuts held by the Commodity Credit Corporation. These sales were made at competitive world prices.

Total exports in the marketing year ending last September 30 totaled 3.4 billion pounds oil equivalent, an increase of 50 percent from the previous record of 2.3 billion pounds in 1951-52--only slightly higher than the volume in 1952-53.

Cottonseed oil exports at nearly 400 million pounds were the largest in at least 40 years. Soybean exports, totaling nearly 40 million bushels, broke the record of the previous year by one-fourth. Exports of linseed oil shattered all previous records, while shipments of flaxseed were the largest in 47 years.

Inedible tallow and grease exports, totaling nearly 1.2 billion pounds, exceeded the record of the previous year. This item comprised more than one-third of all fats and oils exported in 1953-54.

Lard exports, because of smaller production and consequent higher prices, were the smallest in 7 years. Nonetheless, lard continued to be a major export item.

Exports of fish oils, at more than 155 million pounds, set a new record.

UNITED STATES: Exports of selected fats, oils, and oilseeds for crop marketing years, beginning October 1, 1952-53 and 1953-54

Commodity	Unit	1952-53	1953-54
Coconut oil <u>1</u> /	1,000 lbs.	16,083	10,951
Cottonseed.....	1,000 lbs.	24,747	29,085
Cottonseed oil <u>1</u> /	1,000 lbs.	50,672	397,793
Flaxseed.....	1,000 bu.	19	6,152
Linseed oil <u>1</u> /	1,000 lbs.	4,040	430,272
Peanuts <u>2</u> /	1,000 lbs.	2,337	168,578
Peanut oil <u>1</u> /	1,000 lbs.	1,282	8,698
Soybeans.....	1,000 bu.	31,907	39,496
Soybean oil <u>1</u> /	1,000 lbs.	93,404	71,258
Lard.....	1,000 lbs.	466,172	397,483
Tallow, edible.....	1,000 lbs.	14,765	21,953
Tallow and greases, inedible <u>3</u> /	1,000 lbs.	1,070,177	1,185,755
Fish oils <u>4</u> /	1,000 lbs.	92,059	157,443
All other (oil content).....	1,000 lbs.	137,193	133,765
Total oil equivalent.....	1,000 lbs.	2,271,000	3,432,000

- 1/ The sum of crude and refined. 2/ Includes shelled and unshelled peanuts.
3/ Includes inedible tallow, animal greases and fats, and animal oils.
4/ Includes fish oils, hydrogenated, and fish liver oils.

Source: Compiled from official records of the Bureau of the Census.

United States Department of Agriculture, Foreign Agricultural Service.

COLUMBIA DEMANDS CERTIFICATE
FOR MARKET EGGS

The Colombian Minister of Agriculture issued a directive to port veterinary inspectors November 8 to refuse market and hatching eggs entry unless accompanied by official certification as to freedom of source from listed poultry diseases. The Directive was approved by Colombian Cabinet and released November 9. Minister of Agriculture Restrepo stated rigid requirements were justified because some Colombian farmers feed fresh egg shells to poultry.

Representatives of the U. S. Department of State and the U. S. Department of Agriculture are conferring with officials of the Colombian government in an effort to have the certification requirements removed or modified.

U. S. AGRICULTURAL TRADE IN SEPTEMBER 1954

Export Highlights

Agricultural exports in September 1954 were 21 percent under a year ago. The export value this September was \$193 million as compared with \$245 million last September. Of the total decline of \$52 million, \$50 million was due to sharply reduced shipments of wheat, corn, and tobacco. Grain exports suffered from large harvests abroad, tobacco exports from lateness in the United States harvest of exportable types. Also, part of the lull in farm exports was attributed to anticipation of Public Law 480 sales.

First quarter 1954-55 exports were 7 percent under a year ago. Farm exports in the first quarter of fiscal year 1954-55 totaled \$592 million as compared with \$639 million in the same period of the previous year. Grains and tobacco were the only commodity groups that ran behind; the others--cotton, fats and oils, fruits and vegetables, and livestock and livestock products--all ran ahead of a year earlier.

January-September exports in 1954 ran 2 percent larger than in 1953. The export value from January to September 1954 totaled \$2,060 million against \$2,017 million for the like period last year. The slight gain occurred despite the marked reduction in exports during September this year.

Commercial nonfarm exports also were down in September but up for the quarter. This September's exports of nonagricultural commodities, excluding shipments of military goods, amounted to \$748 million, or 6 percent less than in September a year ago. For the July-September period, however, commercial nonfarm exports aggregated \$2,301 million, which was 2 percent greater than shipments in the like period of 1953.

**UNITED STATES: Summary of exports, domestic, of selected
agricultural commodities and groups during September 1953 and 1954**

Commodity exported	Unit:	September			
		Quantity		Value	
		1953	1954	1953	1954
				1,000	1,000
		Thousands	Thousands	dollars	dollars
ANIMAL PRODUCTS:					
Cheese	Lb.	363	337	182	137
Milk, condensed	Lb.	1,085	164	267	3
Milk, evaporated	Lb.	13,997	11,923	1,983	1,762
Milk, whole, dried	Lb.	3,648	3,724	2,077	1,826
Nonfat dry milk solids	Lb.	3,676	10,445	635	1,310
Eggs, in the shell	Doz.	3,225	6,288	1,416	1,893
Beef and veal, total 1/	Lb.	2,273	3,079	518	734
Pork, total 1/	Lb.	5,176	2,719	1,439	939
Other meats 1/	Lb.	6,624	8,321	1,865	2,249
Lard	Lb.	24,412	25,344	4,317	4,727
Tallow, edible and inedible	Lb.	109,068	82,558	5,627	5,919
VEGETABLE PRODUCTS:					
Cotton, unmd., excl. linters (480 lb.)	Bale	210	209	36,992	37,791
Apples, fresh	Lb.	3,734	3,742	357	334
Grapefruit, fresh	Lb.	4,814	5,555	226	281
Oranges and tangerines	Lb.	54,802	26,936	2,192	2,068
Pears, fresh	Lb.	4,150	5,060	358	517
Prunes, dried	Lb.	2,941	3,763	477	601
Raisins and currants	Lb.	4,689	6,582	592	809
Fruits, canned	Lb.	15,972	27,749	2,579	4,218
Fruit juices	Gal.	1,813	1,509	1,834	1,549
Barley, grain (48 lb.)	Bu.	2,118	2,417	3,116	3,166
Barley, malt (34 lb.)	Bu.	360	374	891	836
Corn, grain (56 lb.)	Bu.	10,427	3,586	18,435	6,159
Grain sorghums (56 lb.)	Bu.	1,188	1,828	1,863	2,126
Rice, milled, excludes paddy	Lb.	110,958	112,636	11,149	8,287
Wheat, grain (60 lb.)	Bu.	19,066	12,074	44,585	20,231
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,021	1,220	4,791	5,385
Flour, not wholly of U.S. wheat (100 lb.)	Bag	163	68	966	307
Hops	Lb.	189	139	81	36
Nuts and preparations	Lb.	2,845	7,362	915	1,500
Soybeans, except canned (60 lb.) ..	Bu.	1,131	499	3,183	1,285
Soybean oil, crude, refined, etc.	Lb.	6,527	1,216	863	197
Cottonseed oil, crude, refined, etc.	Lb.	1,459	27,524	212	3,366
Seeds, field and garden	Lb.	8,674	3,377	471	608
Tobacco, flue-cured	Lb.	63,388	41,128	43,349	29,727
Tobacco, leaf, other	Lb.	5,183	4,230	3,145	3,044
Beans, dried	Lb.	40,644	14,204	3,068	1,167
Peas, dried	Lb.	3,684	5,129	279	336
Potatoes, white	Lb.	53,572	42,256	1,080	1,003
Vegetables, fresh, other	Lb.	21,228	27,199	777	1,130
Vegetables, canned	Lb.	11,992	8,770	1,710	1,375
Food exported for relief, etc.				10,406	781
Other agricultural commodities				24,051	31,316
TOTAL AGRICULTURAL				245,319	193,070
TOTAL ALL COMMODITIES				1,246,773	1,097,725

1/ Product weight

Compiled from official records, Bureau of the Census

UNITED STATES: Summary of imports for consumption
of selected agricultural commodities and groups during September 1953 and 1954

Commodity imported	Unit	September			
		Quantity		Value	
		1953	1954	1953	1954
SUPPLEMENTARY				1,000	1,000
ANIMALS AND ANIMAL PRODUCTS:		Thousands	Thousands	dollars	dollars
Cattle, dutiable	No.	4	2	876	293
Cattle, free (for breeding)	No.	2	2	493	422
Casein and lactarene	Lb.	9,219	3,843	1,257	775
Cheese	Lb.	5,540	4,972	2,814	2,541
Hides and skins	Lb.	15,045	8,598	6,419	3,554
Beef and veal, total 1/	Lb.	12,039	7,557	4,066	2,295
Pork, total 1/	Lb.	11,460	13,013	8,618	9,214
Wool, unmd., excl. free, etc.	Lb.	19,675	11,638	14,917	10,876
VEGETABLE PRODUCTS:					
Cotton, unmd., excl. linters (480 lb.)	Bales	20	7	3,167	1,380
Jute and jute butts, unmd. (2,240 lb.)	Ton	2	4	314	612
Olives in brine	Gal.	735	745	1,179	1,242
Pineapples, prep. or preserved	Lb.	10,448	4,912	1,302	603
Other fruits and preparations		2/	2/	3,495	3,201
Barley, grain (48 lb.)	Bu.	4,205	2,773	6,002	3,815
Oats, grain (32 lb.)	Bu.	7,063	696	4,917	616
Wheat and flour (grain equiv. 60 lb.)	Bu.	168	224	356	434
Feeds and fodders		2/	2/	1,794	1,996
Nuts and preparations		2/	2/	5,294	4,771
Castor beans	Lb.	6,481	5,813	383	268
Copra	Lb.	74,743	68,033	5,983	4,771
Oils, fats, waxes, veg. expressed	Lb.	34,400	39,789	7,350	5,799
Sugar, cane (2,000 lb.)	Ton	348	285	40,400	30,403
Molasses, unfit for human consumption	Gal.	15,072	14,420	1,737	1,355
Tobacco, cigarette leaf	Lb.	7,571	6,879	5,065	4,733
Tobacco, other leaf	Lb.	1,511	1,654	2,202	2,474
Seeds, field and garden		2/	2/	1,477	1,504
Potatoes, white	Lb.	93	67	4	2
Tomatoes, natural state	Lb.	101	22	8	1
Other supplementary				25,512	22,758
Total supplementary				157,401	120,708
COMPLEMENTARY					
Silk, raw	Lb.	464	524	2,205	2,157
Wool, unmd., free in bond	Lb.	13,713	13,180	6,964	7,656
VEGETABLE PRODUCTS:					
Bananas	Bunch	4,252	3,572	5,598	4,829
Coffee (ex. into Puerto Rico)	Lb.	280,997	87,139	155,865	64,630
Cocoa or cacao beans	Lb.	23,716	31,984	7,551	17,287
Tea	Lb.	10,364	7,114	4,727	3,826
Spices (complementary)	Lb.	5,839	9,160	4,711	4,569
Sisal and henequen (2,240 lb.)	Ton	12	10	2,665	1,712
Rubber, crude	Lb.	131,320	108,903	27,375	22,564
Other complementary				7,141	9,007
Total complementary				224,802	138,237
TOTAL AGRICULTURAL COMMODITIES				382,203	258,945
TOTAL ALL COMMODITIES				928,311	776,778

1/ Product weight
2/ Reported in value only

Compiled from official records, Bureau of the Census

Cotton exports held steady. Cotton shipments this September of 209 thousand bales were about the same in quantity as a year earlier but were up slightly in value because of higher prices. During the July-September quarter, exports totaled 644 thousand bales and surpassed the same period a year ago by 20 percent. Factors in the strong demand for United States cotton abroad have been a continuing high level of consumption and some needed buildup of inventories. Also, exportable supplies of foreign grown cotton are smaller this year. Current prices of foreign grown cotton are with some exceptions about in line with those for corresponding grades and staples of United States cotton; in a few instances they are slightly higher. The eased foreign exchange situation abroad has made it possible for some countries to liberalize their exchange authorizations for the purchase of United States cotton.

Slow marketings and inferior quality limited tobacco export sales.

Although tobacco shipments registered a gain of 18 million pounds from August to September this year, the amount shipped in September, 45 million pounds, was 35 percent smaller than the 69 million exported last September. Shipments in the July-September period totaling 101 million pounds this year were down 19 percent from a year ago. The movement of flue-cured leaf to market in the early part of the current season, particularly in South Carolina, was much slower than last year. Moreover, the quality of leaf produced this year in the Georgia-Florida and South Carolina areas was below that for 1953. The adverse effects of these factors on exports are expected to be overcome by increased shipments abroad in subsequent months.

Wheat exports continued to be hit by smaller import needs abroad. Exports of wheat and flour this September, unchanged from August, were 15 million bushels as compared with 22 million in September a year ago. The total of 51 million bushels for the 3 months July-September this year was smaller by 18 million bushels or 26 percent than last year. Wheat supplies in world markets have been adequate to meet buyers' needs, and there has been no special reason for foreign buyers to buy more than immediate requirements. The September decline in value from a year ago was greater than the decline in quantity; shipments in September last year included wheat granted to Pakistan and valued at the full CCC cost.

Corn sales to Europe weakened further. Corn shipments of 3.6 million bushels this September were at a relatively low level as compared with 6.9 million in August and 10.4 million last September. Lessened European demand and large availabilities from Argentina contributed to this decline.

Japan's purchases steadied September rice exports. Shipments of milled rice this September amounted to 113 million pounds and were slightly above September a year ago. Shifts occurred in exports to about 10 major countries, but the gain was largely due to shipments to Japan which took none from the United States last September. For the July-September period, rice exports amounted to 228 million pounds this year as compared with 291 million last year. In this period, shipments were much smaller to Cuba and Korea. Japan took rice in this period as against none from the United States a year earlier.

Record early-season soybean shipments left little for September. Soybean exports in September amounted to 499 thousand bushels, 32 percent under August shipments of 738 thousand and 56 percent under September 1953 shipments of 1,131 thousand. The decline was due to low supplies available for export following large early season shipments which made 1953-54 a record export year. The late season lull is regarded as temporary in view of the record 1954 crop and continued strong demand abroad.

Cottonseed oil exports were stimulated by competitive pricing of CCC stocks. Exports of 28 million pounds of cottonseed oil in September this year were many times larger than those a year ago and compared with 22 million pounds exported in August, and 44 million in July. The sustained movement of cottonseed oil into foreign outlets has been the result of CCC sales for export at competitive world prices.

Tallow export decline in September was insignificant: U. S. position still strong. Tallow exports in September 1954 amounted to 83 million pounds as compared with 109 million in September 1953; they were near the monthly average for the record export year 1953-54. Although the unit values indicate an increase in price of 2 cents a pound during the July-September quarter this year as compared with last year, the increase apparently has had no serious effect on the world position of United States tallow as an economical soap fat.

Mexico's need for U. S. beans remained under a year ago. Exports of dry edible beans this September totaled 14 million pounds in contrast with 41 million last September as a good harvest in Mexico this season has lessened that country's demand for United States pinto beans.

Most fruits showed further export gains; oranges limited by short crop. Exports of fruits, other than oranges, showed notable gains in September 1954 over a year ago; moderate increases occurred for fresh grapefruit, fresh pears, dried prunes, raisins, and canned fruits while fresh apples were only slightly ahead. Fresh orange exports, however, totaled only 27 million pounds as compared with 55 million last September. The export unit value amounting to 7 2/3 cents a pound this September was nearly double that of a year ago. The short crop in California this summer drove prices upward and limited exports.

Import Highlights

Agricultural purchases from abroad were sharply reduced. Agricultural imports in September 1954 amounted to \$259 million, a decline of 32 percent from \$382 million last September. Compared with August, this September's imports were 15 percent less. For the July-September quarter, imports this year of \$863 million were 15 percent under last year's \$1,013 million.

Complementary imports dropped sharply as coffee purchases slumped. Biggest factor in the September decline in agricultural imports was the reduction in coffee purchases from abroad; this was due to continued buyer resistance to higher prices and to drawings on inventories in the United States to bring them down to normal levels. Pounds imported in September this year amounted to 87 million, a drop of 69 percent from a year ago; value fell to \$65 million, down by 58 percent. Complementary (noncompetitive) imports as a group dropped by 39 percent, from \$225 million last September to \$138 million this September. Tea and rubber imports registered large decreases while imports of cacao beans showed a large gain.

Marked weakening occurred in demand for supplementary imports. While supplementary imports have been running under a year earlier since December 1953, the decline in September this year from September last year was especially pronounced; the value of \$121 million was 23 percent smaller than a year earlier. This value compared with \$136 million this August. Chief items in the decline from a year earlier were apparel wool, cotton, barley, oats, cane sugar, hides and skins, and beef and veal; gains were minor. While much of the decline resulted from plentiful supplies available in the United States, an important factor has also been the use of import controls.

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PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Issued recently and available free upon request from
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Agriculture, Washington 25, D. C.

Regulations Governing Financing of Commercial Sales of Surplus Agricultural Commodities Under Title I of Public Law 480.

Tobacco Production and Trade of Canada. Foreign Agriculture Circular
FT 40-54.

Current Tobacco Developments in Iran. Foreign Agriculture Circular
FT 42-54.

Prospects Good for Exports of Dry Peas. Foreign Agriculture Circular
FFV 19-54.

Export Prospects for Dried Beans Improving. Foreign Agriculture Circular
FFV 20-54.

Cotton Marketing in the United Kingdom. Foreign Agriculture Circular
FC 40-54.

Western Germany's Cotton Trade: 1953-54 Season, and Outlook for 1954-55.
Foreign Agriculture Circular FC 41-54.

Government of East Bengal Forecast for the 1954 Jute Crop. Foreign Agriculture Circular FVF 25-54.

World Rice Production Less in 1954-55. Foreign Agriculture Circular FR 7 -54.

World Wool Production in 1954. Foreign Agriculture Circular FW 5-54.

Possibilities for Marketing U. S. Meat Products in Western Europe. Foreign Agriculture Circular FIM 13-54.

Iraq Date Report. Foreign Agriculture Circular FDF 5-54.

Large 1954 Foreign Fig Crop Estimated. Foreign Agriculture Circular FDF 6-54.

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L A T E N E W S

(Continued from Page 608)

Increased cotton acreage in Nicaragua is indicated by early reports which predict a total planted acreage of at least 175,000 for 1954-55, as compared with 100,000 acres for 1953-54; and total production of about 175,000 bales (500 pounds gross) as compared with 100,000 for the previous year. If prices continue to be favorable, cotton may become the number 1 export commodity instead of coffee. Anticipated labor shortages have resulted in plans for import of cotton picking machinery for the first time.

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